This listing of claims will replace all prior versions and listings of claims in the application:

Listing of Claims:

1.   (Previously presented): A method of conducting a customer affinity program auction, comprising:

receiving a bid of reward points from a customer using a computer terminal for merchandise being offered in the auction.

2.   (original): The method of claim 1, further comprising:

receiving registration information from the customer.

3.   (original): The method of claim 2, wherein the customer registration information includes payment information.

4.   (original): The method of claim 1, further comprising:

providing a preview of the merchandise being offered in the auction.

5.   (original): The method of claim 1, further comprising

authenticating the customer; and

allowing the customer to access a reward points balance.

6.   (original): The method of claim 5 further comprising

allowing the customer to purchase additional reward points for use in the auction.

7.   (original): The method of claim 6, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.

8.   (original): The method of claim 7 further comprising determining a cost for the reward points purchased and transmitting a request for payment for the cost of the reward points.

9.   (original): The method of claim 6, further comprising allowing a purchase of reward points on a floating basis.

10.   (original): The method of claim 1, further comprising:

deducting reward points expended in the auction from a reward points balance.

11.   (original): The method of claim 9, further comprising:

determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.

12.   (original): A customer affinity program auction system, comprising:

a central controller constructed to receive a bid of reward points from a customer for merchandise being offered in the auction.

13.   (original): The system of claim 12, further comprising:

the central controller is constructed to receive registration information from the customer.

14.   (original): The system of claim 13, wherein the customer registration information received by the central controller includes payment information.

15.   (original): The system of claim 12, further comprising:

the central controller is constructed to provide a preview of the merchandise being offered in the auction.

16.   (original): The system of claim 12, further comprising

the central controller is constructed to authenticate the customer and allow the customer to access a reward points balance.

17.   (original): The system of claim 16 further comprising

the central controller is constructed to allow the customer to purchase additional reward points for use in the auction.

18.   (original): The system of claim 17, wherein the central controller is constructed to allow the customer to purchase a specific number of reward points at an exchange rate.

19.   (original): The system of claim 18 further comprising the central controller is constructed to determine a cost for the reward points purchased and transmits a request for payment for the cost of the reward points.

20.   (original): The system of claim 17, wherein the central controller is constructed to allow the customer to purchase reward points on a floating basis.

21.   (original): The system of claim 12, further comprising:

the central controller is constructed to deduct reward points expended in the auction from a reward points balance.

22.   (original): The system of claim 20, further comprising:

the central controller is constructed to determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.

23.   (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to receive a bid of reward points from a customer for merchandise being offered in the auction.

24.   (original): The computer executable code of claim 23, further comprising:

a module to receive registration information from the customer.

25.   (original): The computer executable code of claim 24, wherein the customer registration information includes payment information.

26.   (original): The computer executable code of claim 23, further comprising:

a module to provide a preview of merchandise being offered in the auction.

27.   (original): The computer executable code of claim 23, further comprising

a module to authenticate the customer; and

a module to allow the customer to access a reward points balance.

28.   (original): The computer executable code of claim 27 further comprising

a module to allow the customer to purchase additional reward points for use in the auction.

29.   (original): The computer executable code of claim 28, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.

30.   (original): The computer executable code of claim 29 further comprising a module to determine a cost for the reward points purchased and a module to transmit a request for payment for the cost of the reward points.

31.   (original): The computer executable code of claim 28, further comprising allowing a purchase of reward points on a floating basis.

32.   (original): The computer executable code of claim 23, further comprising:

a module to deduct reward points expended in the auction from a reward points balance.

33.   (original): The computer executable code of claim 31, further comprising:

a module to determine a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and a module to transmit a request for payment for the cost of the reward points.

34.   (original): A method of conducting a customer affinity program auction comprising:

determining a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.

35.   (original): The method of claim 34, further comprising:

determining a bid increment.

36.   (original): A customer affinity program auction system comprising:

a central controller constructed to determining a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.

37.   (original): The system of claim 36, further comprising:

the central controller is constructed to determine a bid increment.

38.   (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.

39.   (original): The computer executable code of claim 38, further comprising:

a module to determine a bid increment.

40.   (Previously presented): A method of conducting a customer affinity program auction comprising:

receiving a bid in cash from a customer using a computer terminal for merchandise being offered in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

41.   (original): The method of claim 40, further comprising:

receiving registration information from the customer.

42.   (original): The method of claim 41, wherein the customer registration information includes payment information.

43.   (original): The method of claim 40, further comprising:

        providing a preview of the merchandise being offered in the auction.

44.   (original): The method of claim 40, further comprising

        authenticating the customer; and

        allowing the customer to access a reward points balance.

45.   (original): The method of claim 40 wherein the reward points are converted to a cash value using an exchange rate.

46.   (original): A customer affinity program auction system, comprising:

        a central controller constructed to receive a bid in cash from a customer for merchandise being offered in the auction,

        wherein at least a portion of the bid is paid for by reward points converted to a cash value.

47.   (original): The system of claim 46, further comprising:

        the central controller is constructed to receive registration information from the customer.

48.   (original): The system of claim 47, wherein the customer registration information includes payment information.

49.   (original): The system of claim 46, further comprising:

the central controller is constructed to provide a preview of the merchandise being

offered in the auction.

50.   (original): The system of claim 46, further comprising

the central controller is constructed to authenticate the customer and allow the

customer to access a reward points balance.

51.   (original): The system of claim 46 wherein the central controller is constructed so that

the reward points are converted to a cash value using an exchange rate.

52.   (original): Computer executable code stored on a computer readable medium for

conducting a customer affinity program auction, comprising:

a module to receive a bid in cash from a customer for merchandise being offered

in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a

cash value.

53.   (original): The computer executable code of claim 52, further comprising:

a module to receive registration information from the customer.

54.   (original): The computer executable code of claim 53, wherein the customer registration

information includes payment information.

55.   (original): The computer executable code of claim 52, further comprising:

        a module to provide a preview of the merchandise being offered in the auction.

56.   (original): The computer executable code of claim 52, further comprising

        a module to authenticate the customer; and

        a module to allow the customer to access a reward points balance.

57.   (original): The computer executable code of claim 52 wherein the module converts

reward points to a cash value using an exchange rate.